REMARKS

Claim 31,37,51

The examiner has asked the applicant to show that Claim 31 is patentable in view of a section 102(e) over the prior art (herein Katz – US application *20020013767* with filing date June 25 2001). Claim 31 as the representative for the other claims, recites the element "…utility account as one of the water, electricity, gas or data services account…", which Katz's fails to show. Katz teaches CCMoney which is money representation linked to a deposit account being deposited into an electronic funds account (See Katz claim 1) which fails to show utility account. The examiner provided no explanation as how one ordinarily skilled in the art would read money representation linked to deposit accounts or CCMoney Account being an electronic funds account (See Para 55 of Katz) as utility account. Given that utility account is not a feature taught by Katz, the applicant respectfully submits that Claim 31 is patentable in view of Katz.

Furthermore it is also noted the subject matter of <u>providing fund transfer</u> is now supported by our earlier US Application Number 09/396,005 having US Date of filing Sept 13 1999. Application 09/396,005 is currently pending and also claims the benefit of Australia Application AU 199943506 A1 with filing date Aug 11 1999. This is noted by an amendment in Feb 2006 to the specification in our US Application 09/827788 (itself filed on April 9 2001) which is the parent of this instant application. Even if reliance is considered for said subject matter using Katz's provision application dated 26 June 2000 (being the earliest priority date), there is no evidence to show that para 0061 and 0062 of Katz's non provisional application is also found in the earlier filing which is critical if any reliance is placed on 26 June 2000.

Application number: 09/923,311   **Art Unit:** 3624
Applicant: Khai Hee Kwan   **Examiner:** Hani Kazimi.
Title: A computer network method for conducting payment over a network
by debiting and crediting utilities accounts

Para 0061 deals with debit and credit CCMoney Account and as the applicant pointed out, this does not necessarily shows utility accounts.

Para 0062 deals with payment from CCMoney Account to paying utility accounts but this is not the same as transferring funds from a utility account to another utility account (See applicant's Claim 31 element " crediting payee's utility account and debiting payer's utility account ....")

As shown above even if Para 0061 + 0062 are found in the earlier 26 June 2000 filing date (which the applicant submits they do not), they still fail to show the claimed element "utility account". The applicant respectfully asked the examiner to allow these claims.

Claim 32,38,52

These claims recites the need for monetary units or utility units whereby both said units are exchangeable between different type of accounts in said group found in the independent claims as above. Katz only shows that its CCMoney account are based in 'equivalent' to Dollars. See Para 0055 "Cyber Credit are purchased for dollars or dollar equivalents;" Also in Para 0051 "For each unit of a currency's Cyber Credits in the CCmoney system there will always be one unit of that currency on deposit as a reserve in a distributed network of participating banks around the world". Also see Para 0053 "CCmoney or Cyber Credits are merely electronic records of hard currency assets which have been transferred from the control of the user to the trust reserve account of the user's bank to secure the user's issued Cyber Credit balance in the CCmoney system. Cyber Credits are not currency."

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The applicant submits that it is doubtful that a bank will have utility units in its deposit. While it is well known that US Dollar can be exchanged to Japanese Yen, there is no suggestion that it must necessarily shows US Dollar being <u>exchanged</u> to utility units. This is to say consumer use money to pay for utilities used (as in utility bills) and it is not known in Katz to use money to be exchanged to utility units. Say $ 10 exchanged for 10 MB of data, to be spent in the future.

The applicant respectfully asked the examiner to allow these claims.

<u>Claim 33, 39, 53</u>

These claims recites the netting of the amount received either in dollars or utility units with utility charges. Given that Katz application fails to show utility account then it is also submitted that without such an account, it would be impossible to net anything resembling utility charges.

The applicant respectfully asked the examiner to allow these claims.

<u>Claim 34, 40, 54</u>

These claims recite using of two networks, the first for receiving a request and the second for confirmation but both networks are different to each other. Katz in Para 0057 which incorporates Fig 1 & 2 only shows the Internet 145 as ONE network. While at Para 0059 mentioned was made of a telephonic network 170, this is merely to assist in OPENING an account (Also see Fig 1 of Katz) and not as claimed (ie receiving a request and

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confirming said request for transfer using two different networks). The applicant
respectfully asked the examiner to allow these claims.

Claim 35,41,55

The claims recite the presence of a sub-accounts linked to said utility accounts by account
identifier. A sub-account in this application is like a 'virtual account' separating the
'transaction' and actual utility charges. A sub-account therefore must rely on the main
account for its existence and is a convenient way to separate different transactions
affecting the main account. The applicant submits there is no evidence that Katz teaches
such sub accounts nor is it necessary given CCMoney is a digital record (See para 53) at
an <u>external</u> account hosted by Central Controller outside of the banking system. See Para
7 where it says "does not require the banking system to intermediate each transfer" and
Para 22 where it says "without the intermediation of the banking system ". An external
account is not necessarily a sub-account while a sub-account is a derivative of its main
account from which it shares its functionality. Furthermore, as mentioned, Katz fails to
show a utility account where this sub-account depends on.

The applicant respectfully asked the examiner to allow these claims.

Claim 36,42

These claims recite extending the utility provider's processor to establish sub-accounts.
Katz has no utility provider and as such will not be able to establish sub-accounts in
accordance to the claimed invention. The applicant respectfully asked the examiner to
allow these claims.

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Claim 49,50,56

The claims recite "whereby said crediting and debiting of said accounts maintained at
said providers are remotely controlled by said processor independently of said providers."
Given these claims relied on independent claims 31,37,51, the applicant submit the same.
On its own, Katz also fails to show these elements. Specifically, Katz teaches the debit
and credit of accounts at the host server. See para 84. Also see Fig 3 and consider that
Katz's Buyer CPU 100 and Seller CPU 200 in Fig 2 do not even show any accounts. The
CPU are to connect to Central Controller 300 which holds the accounts (See Para 58
which clearly states that any recording is done at device 335 in Fig 3). This is in contrast
to our claimed invention where the utility providers hold payer and payee accounts but
where the authority to debit or credit comes from processor by remotely connecting to
these accounts via said providers.

The applicant respectfully asks the examiner to allow these claims.